How IT Organizations Do Business with the Commonwealth

Agenda

- VITA Mission
- Supply Chain Management Role
- IT Goods and Services
- Relationship with Northrop Grumman
- VITA Contracts and Vehicles
- Rules of Doing IT Business with the Commonwealth
- Agency Relationships

VITA Mission

VITA facilitates the use of technologies that enable government to better serve the public

Objective is to provide uniform, consistent business approach to the management of IT services through:

- Security policy and standards for Executive, Judicial and Legislative branches
- Centralized oversight of IT procurement, standards, policy and procedures for Executive Branch and higher education
- Project management oversight for major IT projects for Executive Branch agencies and higher education
- Concept of "shared services" - statewide IT *infrastructure* services for Executive Branch agencies

Supply Chain Management's role at VITA

Responsibilities

- Promulgation of IT procurement policies, standards and guidelines for state agencies and institutions

- Procurement of IT goods and services for VITA and on behalf of other state agencies and institutions; counties, cities and towns are included in and able to use all statewide contracts

Supply Chain Management's role at VITA

Objective is to leverage external relationships to provide the best value IT solutions that meet the Commonwealth's business needs

- Implement enterprise-wide solutions and statewide contracts
- Enable the Commonwealth to consolidate and leverage its purchasing power for IT products and services
- Increase the use and usefulness of statewide IT contracts by the Commonwealth's organizational entities
- Operate according to industry best practices (e.g., create performance-based relationships) and best practice methodologies
- Embrace and implement innovative solutions and tools
- Reduce the risk to the Commonwealth from the dynamic changes in IT markets

IT Goods and Services

VITA Procurement Responsibility	Department of General Services Procurement Responsibility
For Executive Branch agencies and higher education: - Statutory authority over the procurement of IT goods and services - Promulgation of IT procurement policies	For Executive Branch agencies and higher education: - Statutory authority over the procurement of non-IT goods and services - Promulgation of non-IT procurement policies

IT goods and services include: hardware, software, services, maintenance, IT labor,

IT consulting, software as a service, cloud computing and telecommunications

Northrop Grumman Overview

- A 13-year, $2 billion public-private partnership between Commonwealth and Northrop Grumman

- Northrop Grumman provided essential up-front private sector capital to provide a modern IT infrastructure

- Transforming state government's IT infrastructure from more than 80 agency systems to an enterprise-wide and more cohesive, secure and efficient infrastructure

- Northrop Grumman is committed to supporting the state's Small, Women- and Minority-owned Business (SWaM) program and is required to report SWaM sub-contracting

NG provides infrastructure for Executive Branch agencies

"Jump-Starting" Infrastructure Investments Through Private Partners

Messaging Services

Enterprise Exchange/Outlook E-mail
Enterprise Collaboration Tools
Active Directory, DNS
$25M Investment

Mainframe and Servers

New IBM and Unisys Mainframes
Consolidation and Refresh of Servers
Migration of servers to the Data Center
$50M Investment

Tier 3 and Tier 2 Facilities

New Data Center/Office Building in Chesterfield
New Disaster Recovery Center and Help Desk
in Lebanon, Russell County
$60M Investment

Desktop

Mass Desktop Refresh
Network Printer Consolidation and Refresh
Enterprise Desktop Management Systems
$35M Investment

Transformation

People – Process – Tools
Reliable, High-Performance,
Enterprise-Wide IT Infrastructure
$270 Million Investment

Network

New Commonwealth-Wide MPLS Core WAN
LAN upgrades to Local Switches/Routers as Needed
Network Re-addressing of IP, DHCP
$60M Investment

Help Desk

Enterprise Help Desk in Russell and Chesterfield
Field Based Agents and Technicians for Level 3
Enterprise Help Desk System (Peregrine)
$10M Investment

Security

Enterprise Security Operations Center
Computer Security Incident Response Center
Secure Internet Gateway
$10M Investment

Voice / Video

Voice-Over IP Network Optimized for
Voice and Video Traffic
$20M Investment

IT infrastructure for Executive Branch

Northrop Grumman needs suppliers to acquire, maintain and support a large IT infrastructure

PCs and Servers
60,000+ computers
3,627+ servers

Disk storage
1.3 petabytes

Mainframe
4,850 MIPS
2.24 terabytes

E-mail
57,991 mailboxes

Network
64,118 ports

Printers
5,911 network printers
22,000 desktop printers

Communications
~55,000 desk phones
~3,600 handhelds (PDAs)
~11,000 wireless devices (cell phones)

Northrop Gruman Contact

- Doing business with the Commonwealth through Northrop Grumman

- Contact:
  - Gerald.Daily@ngc.com

Opportunity: Statewide Contracts

- **VITA's Supply Chain Management Directorate solicits and negotiates statewide contracts for IT goods and services**
  - Required contracts for Executive Branch agencies and higher education
  - Optional-use contracts for all other public bodies within state; approximately two-thirds of VITA contracts users are optional users
  - No other entity can write statewide IT contracts
  - VITA may delegate to an agency the authority to run an agency-specific procurement; however, the agency must follow VITA policies
  - Few statutory exceptions – independent agencies, some higher education (except for telecom), etc.

Existing VITA Contracts Categories

- Audio/Visual Equipment
- Broadband Service
- Cabling
- Computer Hardware
- IT Hardware Repair
- Consulting and Labor
  - Managed Service provider for all Staff Augmentation and SOW-based engagements less than $2 million
- GPS Devices
- Networking Equipment
- PC, Servers and Peripherals
- Printers
- IT Training

- Services
  - Enterprise Content Management Integrators
  - Mapping
  - 508 Compliance, etc.
  - Website Development
- Software
  - Antivirus
  - Database
  - Business Intelligence tools
  - COTS software
- Storage
- Unix
- Telecommunications
  - Wireless
  - Wire lines

Opportunity: Contract Vehicles

VITA statewide contracts offer opportunities to subcontract

- Northrop Grumman agreement
- Staff augmentation -- Computer Aid, Inc. acts as managed service provider
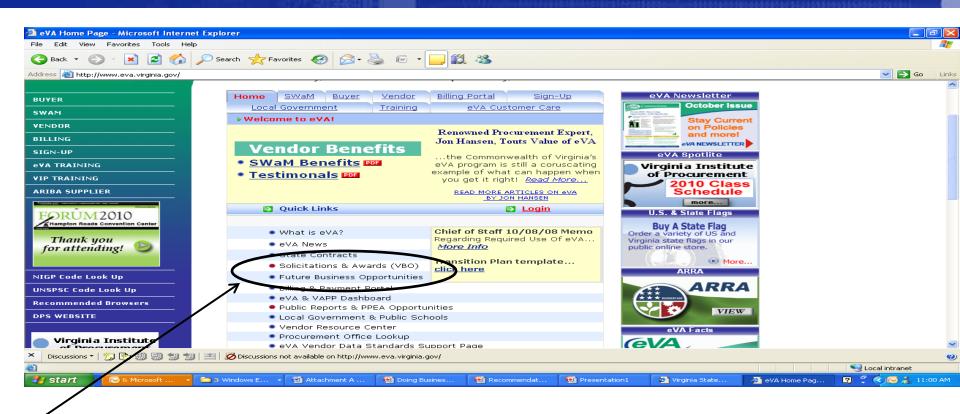- Subcontracting on existing contracts

Opportunity: eVA solicitations

- Link to upcoming procurements
- Solicitations are available in eVA
- Agency solicitations are posted in eVA
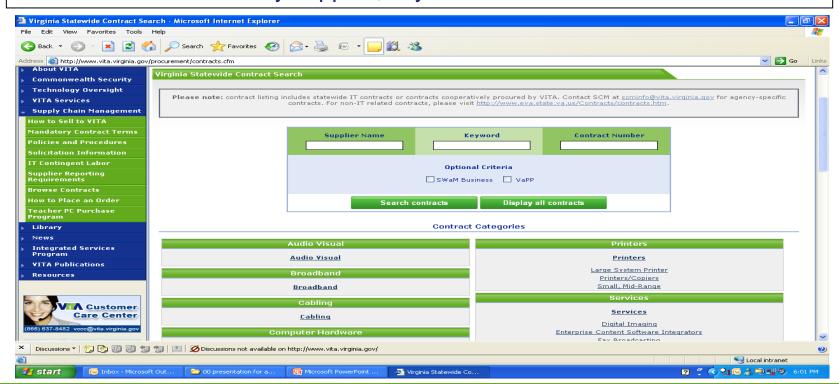- www.eva.virginia.gov

eVA has Quick Links

Links to solicitations (Solicitations and Awards) and Future Business Opportunities

VITA Statewide Contracts

Information about VITA statewide contracts is available on the VITA website
www.vita.virginia.gov; statewide contracts button
Searchable by supplier, keyword and contract number

Policies encourage small business participation

- All Executive Branch agencies and non-exempt institutions of higher education are subject to this policy
- Definition of a qualified small business: Department of Minority Business Enterprises (DMBE)-certified business with 250 or fewer employees or gross receipts of $10 million or less averaged over the past three years

Small business participation is encouraged through direct participation and through subcontracting

Policies encourage small business participation

- Procurements less than $5,000 are set aside for small businesses

- Procurements from $5,000 - $50,000 are set aside for small businesses when a minimum of two small businesses are available; VITA utilizes eVA Quick Quote to meet this requirement

- Procurements greater than $50,000 may be set aside; a minimum of six small businesses usually are solicited

- Small business subcontract plans are required for solicitations greater than $100,000

Rules of Doing IT business with the Commonwealth

- All IT procurements fall under the Virginia Public Procurement Act (VPPA)

- All VITA contracts are awarded in accordance with requirements of the VPPA or PPEA
  - Procurements must be conducted in a fair and impartial manner; avoid even the appearance of impropriety
  - All qualified vendors have access to public business
  - No offeror is arbitrarily or capriciously excluded
  - Competition must be sought to the maximum feasible degree
  - Specifications reflect the procurement needs of the agency rather than being drawn to favor a particular vendor

Procurement Process

- Many procedural steps are dictated by the *Code of Virginia*
  - e.g., Solicitations publically posted for minimum of 10 days
- All VITA solicitations are posted electronically in eVA (www.eva.virginia.gov)
- Solicitations that require CIO approval
  - Procurements greater than $100,000
  - All major IT projects as defined in the *Code of Virginia*
  - Purchases using cooperative procurement agreements (including GSA), regardless of amount
  - Purchases using an online or public auction, regardless of amount

Types of procurements

- Competitive solicitations
  - Small purchases – Less than $5,000 – One quote required; $5,000 to $50,000 utilize eVA Quick Quote system
  - Competitive sealed bidding (Invitation for Bids- IFB)
  - Competitive negotiations (Request for Proposals - RFP)

- Cooperative Procurements
  - Joining with other states or public bodies for procurement (combined requirements)
  - Must be approved by CIO and must be performed by public entity not consortium
  - Typically limited use and most suited to commodities

Types of procurements

- ## Emergency Procurements
  - Emergency should be due to public health or other public emergency
  - Failure to plan or potential loss of procurement funds do not constitute an emergency

- ## Sole Source Procurements
  - Only one source practicably available
  - Not a proprietary procurement
  - System migration or conversion does not constitute a sole source justification

Selling to Agencies

- Agency must have delegated authority to procure IT on their own; either predefined (applications less than $50,000) or granted for a specific transaction
- Procurement for a solution or service that could be utilized by more than one agencies would not be delegated to a single agency
- Agencies must comply with VITA policies and guidelines when performing the procurement
- Useful to encourage IT staff to work with procurement staff to reduce potential for redundant sales effort

Ethics in Public Contracting – §2.2-4367 et seq.

- Addresses proscribed participation by public employees in procurement transactions

- Disclosure of subsequent employment

- Prohibition on solicitation or acceptance of gifts from contractors by procurement officers

- Kickbacks prohibited

- Participation in bid preparation, submitting bid for same procurement not allowed

- Misrepresentations – cannot conceal or misrepresent a material fact or make fraudulent statements

- Avoidance any appearance of impropriety